



DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 21-16]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense (DoD).

ACTION: Arms sales notice.

SUMMARY: The Department of Defense is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT: Karma Job at karma.d.job.civ@mail.mil or (703) 697-8976.

SUPPLEMENTARY INFORMATION: This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 21-16 with attached Policy Justification and Sensitivity of Technology.

Dated: February 23, 2021.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, SUITE 101
ARLINGTON, VA 22202-5408

February 17, 2021

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
H-209, The Capitol
Washington, DC 20515

Dear Madam Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 21-16 concerning the Army's proposed Letter(s) of Offer and Acceptance to the Government of Finland for defense articles and services estimated to cost \$91.2 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

A handwritten signature in black ink, reading "Heidi H. Grant", is positioned below the word "Sincerely,".

Heidi H. Grant
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Government of Finland

(ii) Total Estimated Value:

Major Defense Equipment*	\$81.0 million
Other	<u>\$10.2 million</u>
TOTAL	\$91.2 million

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:

Major Defense Equipment (MDE):

Twenty-Five (25) M30A2 Extended Range Guided Multiple Launch Rocket Systems – Alternative Warhead (ER GMLRS-AW) Pods

Ten (10) M31A2 Extended Range Guided Multiple Launch Rocket Systems – Unitary (ER GMLRS-U) Pods

Non-MDE:

Also included is an ER GMLRS Materiel Release Package; Stockpile Reliability Program (SRP) support; Quality Assurance Testing (QAT) services; technical publications; U.S. Government and contractor technical and logistics support services; and other related elements of program and logistics support.

(iv) Military Department: Army (FI-B-VBB)

(v) Prior Related Cases, if any: None

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex

(viii) Date Report Delivered to Congress: **February 17, 2021**

*As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Finland – Extended Range Guided Multiple Launch Rocket System

The Government of Finland has requested to buy twenty-five (25) M30A2 Extended Range Guided Multiple Launch Rocket Systems – Alternative Warhead (ER GMLRS-AW) Pods; and ten (10) M31A2 Extended Range Guided Multiple Launch Rocket Systems – Unitary (ER GMLRS-U) Pods. Also included is an ER GMLRS Materiel Release Package; Stockpile Reliability Program (SRP) support; Quality Assurance Testing (QAT) services; technical publications; U.S. Government and contractor technical and logistics support services; and other related element of program and logistics support. The total estimated cost is \$91.2 million.

This proposed sale will support the foreign policy and national security of the United States by improving the security of a trusted partner which is an important force for political stability and economic progress in Europe. It is vital to the U.S. national interest to assist Finland in developing and maintaining a strong and ready self-defense capability.

Finland intends to use these defense articles and services to modernize its armed forces. Finland intends to expand its existing army architecture to counter potential threats. This will contribute to the Finland military's goal to upgrade its capability while enhancing interoperability between Finland, the United States, and other allies. Finland will have no difficulty absorbing these missiles into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The principal contractor will be Lockheed Martin Corporation, Missile and Fire Control, Grand Prairie, TX. There are no known offsets associated with this potential sale.

Implementation of this proposed sale will not require the assignment of U.S. Government or contractor representatives to Finland.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Notice of Proposed Issuance of Letter of Offer
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(vii) Sensitivity of Technology:

1. The ER GMLRS provides a persistent, responsive, all-weather, rapidly deployed, long range, surface-to-surface, area- and point-precision strike capability. The AW variant (XM403, also referred to as M30A2) carries a 200-pound fragmentation assembly filled with high explosives which, upon detonation, accelerates two layers of preformed penetrators optimized for effectiveness against large area and imprecisely located targets. The Unitary variant (XM404, also referred to as M31A2) is a 200-pound class unitary with a steel blast-fragmentation case, designed for low collateral damage against point targets. The ER GMLRS maintains the accuracy and effectiveness demonstrated by the baseline GMLRS out to a maximum range of 150 km (double of GMLRS capability) while also including a new Height Of Burst (HOB) capability.

2. The highest level of classified information associated with the sale of this equipment is SECRET.

3. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures or equivalent systems that might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

4. A determination has been made that Finland can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

5. All defense articles and services listed in this transmittal have been authorized for release and export to the Government of Finland.